

Senate File 2313 - Reprinted

SENATE FILE 2313

BY COMMITTEE ON APPROPRIATIONS

(SUCCESSOR TO SSB 3176)

(As Amended and Passed by the Senate April 18, 2016)

A BILL FOR

1 An Act relating to employment services programs administered
2 by the department of workforce development by providing
3 for conformity with federal law concerning the workforce
4 development board, authorizing the department to carry out
5 certain actions relating to the unemployment insurance
6 program, making an appropriation, and including effective
7 date provisions.

8 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

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DIVISION I

CONFORMITY WITH FEDERAL WORKFORCE INNOVATION AND OPPORTUNITY
ACT

Section 1. Section 84A.1A, subsection 1, unnumbered paragraph 1, Code 2016, is amended to read as follows:

An Iowa workforce development board is created, consisting of nine voting members appointed by the governor and ~~twelve~~ sixteen ex officio, nonvoting members.

Sec. 2. Section 84A.1A, subsection 1, paragraph b, Code 2016, is amended to read as follows:

b. The ex officio, nonvoting members are four legislative members; one president, or the president's designee, of the university of northern Iowa, the university of Iowa, or Iowa state university of science and technology, designated by the state board of regents on a rotating basis; one representative from the largest statewide public employees' organization representing state employees; one president, or the president's designee, of an independent Iowa college, appointed by the Iowa association of independent colleges and universities; one superintendent, or the superintendent's designee, of a community college, appointed by the Iowa association of community college presidents; one representative of the vocational rehabilitation community appointed by the state rehabilitation council in the division of Iowa vocational rehabilitation services; one representative of the department of education appointed by the state board of education; one representative of the economic development authority appointed by the director; one representative of the department for the blind appointed by the director; one representative of the department on aging appointed by the director; one representative of the department of corrections appointed by the director; one representative of the department of human services appointed by the director; and one representative of the United States department of labor, office of apprenticeship. The legislative members are two

1 state senators, one appointed by the president of the senate
2 after consultation with the majority leader of the senate,
3 and one appointed by the minority leader of the senate from
4 their respective parties; and two state representatives, one
5 appointed by the speaker of the house of representatives
6 after consultation with the majority leader of the house of
7 representatives, and one appointed by the minority leader of
8 the house of representatives from their respective parties.
9 The legislative members shall serve for terms as provided in
10 section 69.16B.

11 Sec. 3. Section 84A.1A, Code 2016, is amended by adding the
12 following new subsection:

13 NEW SUBSECTION. 6. a. The workforce development board
14 may designate and direct the activities of standing committees
15 of the workforce development board to provide information and
16 to assist the workforce development board in carrying out
17 its duties. Such standing committees shall be chaired by a
18 member of the workforce development board or a designee of
19 the workforce development board, may include other members
20 of the workforce development board, and shall include other
21 individuals appointed by the workforce development board who
22 are not members of the workforce development board and who
23 the workforce development board determines have appropriate
24 experience and expertise. At minimum, the workforce
25 development board shall designate each of the following:

26 (1) A standing committee to provide information and assist
27 with operational and other issues relating to the state
28 workforce development system.

29 (2) A standing committee to provide recommendations
30 regarding policies, procedures, and proven and promising
31 practices regarding workforce development programs, services,
32 and activities.

33 (3) A standing committee to provide information and to
34 assist with issues relating to the provision of services to
35 youth. The standing committee shall include community-based

1 organizations with a demonstrated record of success in serving
2 eligible youth.

3 (4) A standing committee to provide information and to
4 assist with issues relating to the provision of services to
5 individuals with disabilities, including issues relating to
6 compliance with applicable state and federal nondiscrimination
7 laws regarding the provision of programmatic and physical
8 access to the services, programs, and activities of the state
9 workforce development system, as well as appropriate training
10 for staff on providing supports for or accommodations to,
11 and finding employment opportunities for, individuals with
12 disabilities.

13 b. The workforce development board may designate standing
14 committees in addition to the standing committees specified in
15 paragraph "a".

16 Sec. 4. Section 84A.1B, subsections 1, 3, 7, and 8, Code
17 2016, are amended to read as follows:

18 1. Develop and coordinate the implementation of a
19 ~~twenty-year~~ four-year comprehensive workforce development
20 plan of specific needs, goals, objectives strategies, and
21 policies for the state. This plan shall be updated ~~annually~~
22 every two years and revised as necessary. All other state
23 agencies involved in workforce development activities and
24 the ~~regional advisory~~ local workforce development boards ~~for~~
25 ~~workforce development~~ shall annually submit to the board for
26 its review and potential inclusion in the plan their needs,
27 goals, objectives strategies, and policies.

28 3. Develop a method of evaluation of the attainment of
29 needs and goals ~~and objectives~~ from pursuing the strategies and
30 policies of the ~~five-year and twenty-year plans~~ four-year plan.

31 7. Review grants or contracts awarded by the department
32 of workforce development, with respect to the department's
33 adherence to the guidelines and procedures and the impact
34 on the ~~five-year strategie~~ four-year plan ~~for workforee~~
35 development.

1 8. Make recommendations concerning the use of federal
2 funds received by the department of workforce development ~~with~~
3 ~~respect to the five-year and twenty-year workforce development~~
4 ~~plans.~~

5 Sec. 5. Section 84A.1B, subsection 2, Code 2016, is amended
6 by striking the subsection and inserting in lieu thereof the
7 following:

8 2. Develop and coordinate the implementation of statewide
9 workforce development policies, procedures, and guidance to
10 align the state's workforce development programs and activities
11 in an integrated and streamlined state workforce development
12 system that is data driven and responsive to the needs of
13 workers, job seekers, and employers.

14 Sec. 6. Section 84A.1B, Code 2016, is amended by adding the
15 following new subsections:

16 NEW SUBSECTION. 10. Develop and coordinate strategies for
17 technological improvements to facilitate access to, and improve
18 the quality of, the state's workforce development services,
19 including all of the following:

20 a. Enhance digital literacy skills as defined in 20 U.S.C.
21 §9101.

22 b. Accelerate the acquisition of skills and recognized
23 postsecondary credentials by participants.

24 c. Strengthen the professional development of providers and
25 workforce professionals.

26 d. Ensure such technology is accessible to individuals with
27 disabilities and individuals residing in remote areas.

28 NEW SUBSECTION. 11. Develop and coordinate strategies for
29 aligning technology and data systems across state agencies
30 in order to improve the integration and coordination of the
31 delivery of workforce development services.

32 NEW SUBSECTION. 12. Identify and disseminate information
33 on proven and promising practices for meeting the needs
34 of workers, job seekers, and employers, including but not
35 limited to proven and promising practices for the effective

1 operation of workforce centers and systems; the development of
2 effective local workforce development boards; the development
3 of effective training programs; effective engagement with
4 stakeholders in the state's workforce development system;
5 effective engagement with employers; and increasing access
6 to workforce services for all Iowans, in particular for
7 individuals with a barrier to employment as defined in the
8 federal Workforce Innovation and Opportunity Act, Pub. L. No.
9 113-128, section 3(24).

10 NEW SUBSECTION. 13. Develop and coordinate the
11 implementation of allocation formulas for the distribution
12 of funds available for employment and training activities in
13 local workforce development areas under the federal Workforce
14 Innovation and Opportunity Act, Pub. L. No. 113-128, sections
15 128(b)(3) and 133(b)(3).

16 NEW SUBSECTION. 14. Provide recommendations to the
17 governor regarding the certification of local workforce
18 development boards.

19 NEW SUBSECTION. 15. Develop and coordinate the analysis
20 of labor market information in order to identify in-demand
21 industries and occupations.

22 NEW SUBSECTION. 16. Make recommendations to the governor
23 regarding the designation of local workforce development areas
24 and regions in the state under the federal Workforce Innovation
25 and Opportunity Act, Pub. L. No. 113-128, section 106.

26 NEW SUBSECTION. 17. Make recommendations to the general
27 assembly and governor regarding workforce development services,
28 programs, and activities.

29 Sec. 7. Section 84A.4, subsections 1 and 3, Code 2016, are
30 amended to read as follows:

31 1. A ~~regional advisory~~ local workforce development board
32 shall be established in each service delivery area as defined
33 in [section 84B.2](#). The voting members of ~~the~~ each board shall
34 be appointed by the governor, consistent with the requirements
35 of federal law and in consultation with chief elected officials

1 within the ~~region~~ local workforce development area. Chief
2 elected officials responsible for recommendations for ~~board~~
3 board's voting membership shall include, but are not limited
4 to, county elected officials, municipal elected officials,
5 and community college directors. The voting membership of
6 each board shall provide for equal representation of business
7 and labor and shall include a county elected official, a
8 city official, a representative of a school district, and a
9 representative of a community college. A local workforce
10 development board may appoint ex officio, nonvoting members.

11 3. Section 84A.1A, subsections 2, 3, and 5, apply to the
12 members of a ~~regional advisory~~ local workforce development
13 board except that the board shall meet if a majority of
14 the members of the board file a written request with the
15 chairperson for a meeting. Members of a ~~regional advisory~~
16 local workforce development board shall be allowed their actual
17 and necessary expenses incurred in the performance of their
18 duties. All expenses shall be paid from appropriations for
19 those purposes and the department of workforce development is
20 subject to the budget requirements of chapter 8.

21 Sec. 8. Section 84A.4, subsection 2, Code 2016, is amended
22 by striking the subsection and inserting in lieu thereof the
23 following:

24 2. A local workforce development board shall do all of the
25 following:

26 a. Develop and coordinate the implementation of a four-year
27 comprehensive local workforce development plan that identifies
28 needs, goals, strategies, and policies for the local workforce
29 development area. A local workforce development plan shall
30 be updated every two years and revised as necessary. A local
31 workforce development board shall coordinate the convening of
32 local workforce development system stakeholders to assist in
33 the development of the local workforce development plan.

34 b. Develop and coordinate the alignment of the local area's
35 workforce development programs, services, and activities in an

1 integrated and streamlined workforce development system that
2 is data driven and responsive to the needs of workers, job
3 seekers, and employers.

4 *c.* Develop and coordinate policies that increase access
5 to workforce services for all Iowans, in particular for
6 individuals with a barrier to employment as defined in the
7 federal Workforce Innovation and Opportunity Act, Pub. L. No.
8 113-128, section 3(24).

9 *d.* Develop and coordinate the creation of reports as
10 required by section 84A.1B.

11 *e.* Develop a budget for the local workforce development
12 board's activities in the local workforce development area,
13 consistent with the four-year comprehensive local workforce
14 development plan, any modifications to the local workforce
15 development plan, and the local workforce development board's
16 duties under this section.

17 *f.* Convene workforce development system stakeholders to
18 identify expertise and resources to leverage support for
19 workforce development programs, services, and activities in the
20 local area.

21 *g.* Coordinate engagement among employers, employee
22 organizations, and economic development entities in the local
23 workforce development area. The local workforce development
24 board shall lead efforts to promote engagement among a diverse
25 range of employers and with other entities in the region to do
26 all of the following:

27 (1) Promote business representation on the local workforce
28 development board, particularly for representatives with
29 optimal policymaking or hiring authority of employers whose
30 employment opportunities reflect existing and emerging
31 employment opportunities in the region.

32 (2) Develop effective linkages with employers in the
33 region to support employer utilization of the local workforce
34 development system and to support local workforce investment
35 activities.

1 (3) Ensure that workforce investment activities meet the
2 needs of employers and support economic growth in the region
3 by enhancing communication, coordination, and collaboration
4 among employers, employee organizations, economic development
5 entities, and service providers.

6 (4) Develop and implement proven or promising strategies
7 for meeting the employment and skill needs of workers and
8 employers, such as participating in the establishment of
9 industry and sector partnerships as described under section
10 260H.7B, subsection 2, that provide the skilled workforce
11 needed by employers in the region and that expand employment
12 and career advancement opportunities for workforce development
13 system participants in in-demand industry sectors or
14 occupations.

15 *h.* Coordinate the performance of workforce research and
16 regional labor market analysis.

17 *i.* Participate in the development of strategies for using
18 technology to maximize the accessibility and effectiveness of
19 the local workforce development system.

20 *j.* Participate in the oversight of workforce development
21 programs and activities in the local workforce development
22 area.

23 *k.* Award grants or contracts as required by and consistent
24 with applicable state and federal law. To the extent permitted
25 by applicable state and federal law, the local workforce
26 development board shall consider awarding grants or contracts
27 to nonprofit organizations.

28 *l.* Designate a fiscal agent.

29 *m.* Participate in the development of performance
30 accountability measures for the local workforce development
31 area.

32 *n.* Participate in the identification and promotion of proven
33 and promising practices for meeting the needs of workers, job
34 seekers, and employers.

35 *o.* Coordinate activities with education and training

1 providers in the local workforce development area.

2 *p.* Participate in the identification of eligible providers
3 of training and career services within the local workforce
4 development area.

5 *q.* Make recommendations to the state workforce development
6 board regarding workforce development programs, services, and
7 activities.

8 *r.* Participate in the implementation of state workforce
9 development initiatives.

10 Sec. 9. Section 84A.4, Code 2016, is amended by adding the
11 following new subsection:

12 NEW SUBSECTION. 2A. A local workforce development board may
13 do the following:

14 *a.* Designate and direct the activities of standing
15 committees of the local workforce development board to provide
16 information and to assist the local workforce development board
17 in carrying out its duties. Such standing committees shall be
18 chaired by a member of the local workforce development board,
19 may include other members of the local workforce development
20 board, and shall include other individuals appointed by the
21 local workforce development board who are not members of the
22 local workforce development board and who the local workforce
23 development board determines have appropriate experience and
24 expertise.

25 *b.* Engage in regional coordination with one or more other
26 local workforce development areas under the federal Workforce
27 Innovation and Opportunity Act, Pub. L. No. 113-128, section
28 106.

29 Sec. 10. Section 84A.5, unnumbered paragraph 1, Code 2016,
30 is amended to read as follows:

31 The department of workforce development, in consultation
32 with the workforce development board and the ~~regional~~
33 ~~advisory~~ local workforce development boards, has the primary
34 responsibilities set out in [this section](#).

35 Sec. 11. Section 84A.5, subsection 9, unnumbered paragraph

1 1, Code 2016, is amended to read as follows:

2 The department of workforce development, in consultation
3 with the applicable ~~regional advisory~~ local workforce
4 development board, shall select service providers, subject to
5 approval by the workforce development board for each service
6 delivery area. A service provider in each service delivery
7 area shall be identified to coordinate the services throughout
8 the service delivery area. The department of workforce
9 development shall select service providers that, to the extent
10 possible, meet or have the ability to meet the following
11 criteria:

12 Sec. 12. Section 84A.6, subsection 1, Code 2016, is amended
13 to read as follows:

14 1. The department of workforce development, in consultation
15 with the workforce development board and the ~~regional~~
16 ~~advisory~~ local workforce development boards, the department of
17 education, and the economic development authority shall work
18 together to develop policies encouraging coordination between
19 skill development, labor exchange, and economic development
20 activities.

21 Sec. 13. NEW SECTION. 84B.01 Workforce development system.

22 The departments of workforce development, education,
23 human services, and corrections, the economic development
24 authority, department on aging, the division of Iowa vocational
25 rehabilitation services of the department of education, and the
26 department for the blind shall collaborate where possible under
27 applicable state and federal law to align workforce development
28 programs, services, and activities in an integrated workforce
29 development system in the state and in each local workforce
30 development area that is data driven and responsive to the
31 needs of workers, job seekers, and employers. The departments,
32 authority, and division shall also jointly establish an
33 integrated management information system for linking workforce
34 development programs within local workforce development systems
35 and in the state.

1 Sec. 14. Section 84B.1, unnumbered paragraph 1, Code 2016,
2 is amended to read as follows:

3 The department of workforce development, in consultation
4 with the departments of education, human services, and ~~human~~
5 ~~rights corrections~~, the economic development authority,
6 the department on aging, the division of Iowa vocational
7 rehabilitation services of the department of education, and
8 the department for the blind, shall establish guidelines
9 for colocating state and federal employment and training
10 programs in centers providing services at the local level. The
11 centers shall be known as workforce development centers. ~~The~~
12 ~~departments and the authority shall also jointly establish~~
13 ~~an integrated management information system for linking the~~
14 ~~programs within a local center to the same programs within~~
15 ~~other local centers and to the state.~~ The guidelines shall
16 provide for local design and operation within the guidelines.
17 The core services available at a center shall include but are
18 not limited to all of the following:

19 Sec. 15. Section 84B.2, Code 2016, is amended to read as
20 follows:

21 **84B.2 Workforce development centers — location.**

22 A workforce development center, as provided in section
23 84B.1, shall be located in each service delivery area. Each
24 workforce development center shall also maintain a presence,
25 through satellite offices or electronic means, in each county
26 located within that service delivery area. For purposes of
27 this section, "*service delivery area*" means the area included
28 within a merged area, as defined in [section 260C.2](#), realigned
29 to the closest county border as determined by the department
30 of workforce development. However, if the state workforce
31 development board determines that an area of the state would
32 be adversely affected by the designation of the service
33 delivery areas by the department, the department may, after
34 consultation with the applicable ~~regional advisory~~ local
35 workforce development boards and with the approval of the state

1 workforce development board, make accommodations in determining
2 the service delivery areas, including, but not limited to, the
3 creation of a new service delivery area. In no event shall the
4 department create more than sixteen service delivery areas.

5 Sec. 16. Section 260H.2, subsection 1, Code 2016, is amended
6 to read as follows:

7 1. A pathways for academic career and employment program
8 is established to provide funding to community colleges for
9 the development of projects in coordination with the economic
10 development authority, the department of education, the
11 department of workforce development, ~~regional advisory~~ local
12 workforce development boards established pursuant to section
13 84A.4, and community partners to implement a simplified,
14 streamlined, and comprehensive process, along with customized
15 support services, to enable eligible participants to acquire
16 effective academic and employment training to secure gainful,
17 quality, in-state employment.

18 Sec. 17. Section 260H.4, subsection 2, paragraph a, Code
19 2016, is amended to read as follows:

20 a. Economic and workforce development requirements in each
21 region served by the community colleges as defined by ~~regional~~
22 ~~advisory~~ local workforce development boards established
23 pursuant to [section 84A.4](#).

24 Sec. 18. Section 260H.4, subsection 2, paragraph b,
25 subparagraph (5), Code 2016, is amended to read as follows:

26 (5) Any other industry designated as in-demand by a ~~regional~~
27 ~~advisory~~ local workforce development board established pursuant
28 to [section 84A.4](#).

29 Sec. 19. Section 260H.8, Code 2016, is amended to read as
30 follows:

31 **260H.8 Rules.**

32 The department of education, in consultation with the
33 community colleges, the economic development authority, and the
34 department of workforce development, shall adopt rules pursuant
35 to [chapter 17A](#) and [this chapter](#) to implement the provisions of

1 this chapter. ~~Regional advisory~~ Local workforce development
2 boards established pursuant to [section 84A.4](#) shall be consulted
3 in the development and implementation of rules to be adopted
4 pursuant to [this chapter](#).

5 Sec. 20. Section 260I.6, subsection 2, paragraph e, Code
6 2016, is amended to read as follows:

7 e. Any other industry designated as in-demand by a ~~regional~~
8 ~~advisory~~ local workforce development board established pursuant
9 to [section 84A.4](#).

10 Sec. 21. EFFECTIVE UPON ENACTMENT. This division of this
11 Act, being deemed of immediate importance, takes effect upon
12 enactment.

13 DIVISION II

14 UNEMPLOYMENT INSURANCE BENEFITS — AUTHORIZATION TO JOIN
15 CONSORTIUM AND USE CERTAIN FUNDS — APPROPRIATION

16 Sec. 22. AUTHORIZATION TO JOIN CONSORTIUM. The department
17 of workforce development is hereby authorized to join a
18 consortium with the states of Idaho and Vermont for the purpose
19 of modifying the Idaho unemployment benefit payment software
20 system so that it can be used to pay unemployment insurance
21 benefits by the state of Iowa.

22 Sec. 23. APPROPRIATION — UNEMPLOYMENT INSURANCE BENEFIT
23 PAYMENT SOFTWARE SYSTEM.

24 1. There is hereby appropriated out of funds made available
25 to the state of Iowa under section 903 of the Social Security
26 Act, as amended, the sum of one million seventy-six thousand
27 dollars, or so much thereof as may be necessary, to be used
28 under the direction of the department of workforce development,
29 for the purpose of modifying the Idaho unemployment insurance
30 benefit payment software system so that it can be used to pay
31 unemployment insurance benefits by the state of Iowa and for
32 the acquisition of programing, software, and equipment required
33 to provide an administrative and payment system for the Iowa
34 unemployment insurance program.

35 2. The funds hereby appropriated shall not be obligated

1 after the expiration of the two-year period beginning on the
2 date of the enactment of this section.

3 3. The amount obligated pursuant to this section shall
4 not exceed at any time the amount by which the aggregate of
5 the amounts transferred to the account of this state in the
6 unemployment trust fund pursuant to section 903 of the Social
7 Security Act, as amended, exceeds the aggregate of the amounts
8 obligated for administration and paid out for unemployment
9 insurance benefits and required by law to be charged against
10 the amounts transferred to the account of this state in the
11 unemployment trust fund.

12 Sec. 24. AUTHORIZATION OF USE OF FUNDS — UNEMPLOYMENT
13 INSURANCE BENEFIT PAYMENT SOFTWARE SYSTEM.

14 1. Four million eight hundred twenty-five thousand dollars,
15 or so much thereof as may be necessary, of incentive payment
16 funds credited with respect to the Assistance for Unemployed
17 Workers and Struggling Families Act, Pub. L. No. 111-5,
18 Division B, Tit. II, §2003, as codified in 42 U.S.C. §1103,
19 as a special transfer made under section 903(g) of the Social
20 Security Act, may be used under the direction of the department
21 of workforce development for the purpose of modifying the Idaho
22 unemployment insurance benefit payment system so that it can
23 be used to pay unemployment insurance benefits by the state
24 of Iowa and for the acquisition of programing, software, and
25 equipment required to provide an administrative and payment
26 system for the Iowa unemployment insurance program.

27 2. The funds hereby authorized for use shall not be
28 obligated after the expiration of the two-year period beginning
29 on the date of the enactment of this section.

30 Sec. 25. AUTHORIZATION OF USE OF FUNDS — UNEMPLOYMENT
31 INSURANCE BENEFIT OVERPAYMENTS.

32 1. Notwithstanding section 96.3, subsection 7, and section
33 96.3, subsection 10, paragraph "d", the department of workforce
34 development shall not pursue the recovery of any overpayments
35 of unemployment insurance benefits made to individuals caused

1 by a telephone system malfunction on March 8, 2014.

2 2. The department of workforce development is authorized to
3 make a one-time transfer of five hundred twenty-eight thousand,
4 three hundred seventy-nine dollars and sixty-eight cents, or
5 so much thereof as may be necessary, from moneys transferred
6 to the state on March 13, 2002, pursuant to section 903(d) of
7 the Social Security Act, to be deposited in the unemployment
8 compensation fund for the payment of unemployment insurance
9 benefits.

10 3. The funds hereby authorized for use shall not be
11 obligated after the expiration of the two-year period beginning
12 on the date of the enactment of this section.

13 Sec. 26. EFFECTIVE UPON ENACTMENT. This division of this
14 Act, being deemed of immediate importance, takes effect upon
15 enactment.